

Noumi Limited (ASX: NOU)

Quarter ended 30 June 2023 Quarterly Activities and 4C Report:

Noumi Limited (**ASX: NOU**) (**Noumi** or the **Company**), a leading producer of long-life dairy and plant-based beverages and nutritional products, today releases its Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 June 2023 (unaudited) and is pleased to provide the following update on the Company's financial and operating performance.

Q4 FY2023 key features:

- Total Q4 FY2023 revenue from continuing operations of \$141.5 million was up \$7.8 million or 5.8% compared to Q4 FY2022. Revenue was up \$11.2 million or 8.6% compared to Q3 FY2023.
- Plant-based Beverages (**PBB**) Q4 FY2023 revenue of \$42.6 million was up \$3.2 million or 8.1% compared to Q4 FY2022, excluding discontinued sales as part of the planned reduction in sales of low-margin products. Revenue was up \$4.6 million or 12.2% compared to Q3 FY2023.
- Dairy and Nutritionals (**D&N**) Q4 FY2023 revenue of \$99.0 million was up \$8.0 million or 8.7% compared to Q4 FY2022. Revenue was up \$6.8 million or 7.4% compared to Q3 FY2023 with domestic retail sales up \$2.9 million or 8.9% and lactoferrin sales up \$1.6 million or 33.8%.
- Q4 FY2023 operating cash flow of \$5.9 million includes legal, US litigation and transformation expenses of \$2.9 million. Excluding these expenses, Noumi delivered a positive operating cash flow of \$8.8 million.
- As at 30 June 2023, the Company's unrestricted cash position was \$18.6 million, with undrawn facilities of \$18 million. Combined unrestricted cash at bank and undrawn facilities total \$36.6 million.

Current trading

- Noumi will announce its FY2023 earnings on 29 August 2023. While Noumi expects to post a Net Loss After Tax for the FY2023 year after depreciation and financing costs (including the non-cash fair value adjustment on its Convertible Notes), the Company continues to make improvements in its operating performance and cash flows, with \$5.9 million of positive cash flow generated in the June quarter.
- Noumi will report that the trends of year-on-year improvements in adjusted operating EBITDA¹ in both the D&N and PBB segments as reported in the first half of FY2023 have continued.

¹ Excludes abnormal items including restructuring costs and other non-trading expenses.

Business performance

Plant-based Beverages

A leading producer of long-life plant-based products including almond, soy, oat, coconut, macadamia milk and liquid stocks.

The Plant-based Beverages segment continues to grow, with revenue for Q4 FY2023 of \$42.6 million up \$3.2 million or 8.1% compared to Q4 FY2022, excluding discontinued products. Revenue was up \$4.6 million or 12.2% compared to Q3 FY2023.

Milklab plant-based sales were up 1.9% in Q4 FY2023 compared to a strong Q4 FY2022, with continued growth in out-of-home sales, which rose 3.3%.

Private label sales were up 27.9% in Q4 FY2023 compared to a Q4 FY2022, with strong growth in the domestic retail channel.

In the fast-growing oat milk segment, Milklab Oat continued its strong performance, with sales up 58.3% compared to Q4 FY2022. Sales rose 25.9% compared to Q3 FY2023.

Dairy and Nutritionals

A leading producer of long-life dairy milk, nutritional products and performance powders.

Total Dairy and Nutritionals revenue increased to \$99.0 million, up \$8.0 million or 8.7% compared to Q4 FY2022, largely reflecting the positive impact of higher prices in domestic retail markets to offset the significant rises in farmgate milk prices for the FY2023 year.

Total revenue was up \$6.8 million or 7.4% compared to Q3 FY2023, with domestic market sales up 7.2% and export sales up 9.6%.

Dairy UHT sales to domestic retail customers were up 46.7% compared to Q4 FY2022, with out-of-home dairy UHT sales 43.5%. Dairy UHT sales to domestic retail customers were up 7.6% compared to Q3 FY2023.

Dairy UHT sales to export markets were down 28.7% compared to Q4 FY2022, reflecting the planned reduction in low-margin export market volumes and price competition from other international suppliers.

Consumer Nutritionals sales were up 2.2% compared to Q4 FY2022, with sales of Vital Strength up 8.2% and Crankt down 11.1%.

Appendix 4C cashflow report – released with this activity report

- Q4 FY2023 operating cash flow was \$5.9 million. This includes legal, US litigation and transformation expenses of \$2.9 million.
- Capital expenditure investments of \$0.6 million in property plant and equipment were recorded during Q4 FY2023.
- Proceeds from the sale of the Company's investment in Australian Fresh Milk Holdings of \$29.4 million (net of disposal costs) were received in Q1 FY2023. From these proceeds, \$24.8 million was placed in a term deposit as security for the bank guarantee facility established to secure the future US litigation settlement payments. The guarantee is progressively stepping down from March 2023 until January 2027.

- At Q4 FY2023 close, the Company had \$466.9 million of available finance facilities, of which \$448.9 million was drawn.
- The Company elected to pay interest-in-kind amounting to \$7.2 million on Convertible Notes for Q4 FY2023, of which \$3.1 million is attributable to related party investors.

Related party payments – Current Quarter (April 2023 to June 2023)

Payment to	Nature of Payment	Amount (A\$)
Independent Directors	Director fees	137,523
Non-Independent Directors	Director fees	81,262
Michael Perich – CEO	Employment costs	192,159
Australian Fresh Milk Trading P/L	Milk purchases	3,292,403
Perich Property Holdings P/L	Rent and outgoings	827,818
Perich Property Unit Trust	Rent and outgoings	2,143,924
Leppington Pastoral Co P/L	Directors' indemnity recharges	162,149
	Q4 FY2023 Total	6,837,238

Details of payments to related parties of the entity and their associates in item 6 of Appendix 4C have been solely assessed in accordance with Australian Accounting Standards.

Note to Market

None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis.

This Company presentation may include certain statements, estimates or projections with respect to the anticipated future performance of the Company, and any ongoing or future projects or both. Those statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties, many of which are outside the control of the Company. Those assumptions may, or may not, prove correct. No representation is made as to the accuracy of those statements, estimates or projections.

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Investor contact:

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The release of this announcement was authorised by the Board of Directors.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Noumi Limited

ABN

41 002 814 235

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		140,177	562,796
1.2 Payments for			
research and development		(60)	(552)
product manufacturing and operating costs		(113,570)	(469,020)
advertising and marketing		(3,059)	(13,649)
leased assets		(2,645)	(10,002)
staff costs		(7,773)	(28,590)
administration and corporate costs		(3,095)	(15,773)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	418
1.5 Interest and other costs of finance paid		(2,529)	(9,198)
1.6 Income taxes paid		-	4
1.7 Government grants and tax incentives		-	-
1.8 Other (legal and US litigation costs)		(1,592)	(12,125)
1.9 Net cash from / (used in) operating activities		5,855	4,308
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
entities		-	-
businesses		-	-
property, plant and equipment		(580)	(3,719)
investments (security deposit)		-	(24,807)
intellectual property		-	-
other non-current assets (software)		-	(638)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	entities	-	-
	businesses	-	-
	property, plant and equipment	-	365
	investments	-	29,343
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (proceeds from security deposit)	-	1,676
2.6	Net cash from / (used in) investing activities	(580)	2,219

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(20)
3.5	Proceeds from borrowings	-	11,000
3.6	Repayment of borrowings	(2,023)	(12,645)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease payments)	(469)	(2,513)
3.10	Net cash from / (used in) financing activities	(2,492)	(4,178)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	15,778	16,210
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5,855	4,308
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(580)	2,219

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2,492)	(4,178)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	18,561	18,561

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	18,561	15,778
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	18,561	15,778

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	6,837
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000																																																																																					
7.1	Loan facilities	466,894	448,894																																																																																					
7.2	Credit standby arrangements	-	-																																																																																					
7.3	Other (please specify)	-	-																																																																																					
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7.5	Unused financing facilities available at quarter end		18,000																																																																																					
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.																																																																																							
<table><tr><th>7.6 Loan Drawn Facilities</th><th>000's</th><th>Average Interest Rate</th><th>Latest Maturity Date</th><th>Secured/ Unsecured</th></tr><tr><td colspan="5">Recourse Debtor Finance Facilities</td></tr><tr><td>HSBC</td><td>12,022</td><td>7.69%</td><td>rolling 6 months</td><td>Secured</td></tr><tr><td colspan="5">Convertible Notes</td></tr><tr><td>Various¹</td><td>345,815</td><td>8.50%</td><td>27-May-27</td><td>Secured</td></tr><tr><td colspan="5">Revolver Finance Facilities</td></tr><tr><td>HSBC & NAB</td><td>28,000</td><td>7.82%</td><td>4-Jul-25</td><td>Secured</td></tr><tr><td colspan="5">Finance Leases</td></tr><tr><td>NAB</td><td>48,827</td><td>4.66%</td><td>Feb-27</td><td>Secured</td></tr><tr><td>Tetra Pak</td><td>8,157</td><td>4.50%</td><td>Jan-27</td><td>Secured</td></tr><tr><td>Energy Ease</td><td>3,751</td><td>6.52%</td><td>Mar-27</td><td>Secured</td></tr><tr><td>Dankse Bank</td><td>330</td><td>4.18%</td><td>Feb-24</td><td>Secured</td></tr><tr><td>Bank of Queensland</td><td>112</td><td>4.09%</td><td>Oct-26</td><td>Secured</td></tr><tr><td>ChemClean</td><td>1,323</td><td>5.37%</td><td>Jul-25</td><td>Secured</td></tr><tr><td>Toyota</td><td>542</td><td>3.25%</td><td>Jun-25</td><td>Secured</td></tr><tr><td>Other</td><td>16</td><td>4.20%</td><td>Feb-24</td><td>Secured</td></tr><tr><td colspan="2">448,894</td><td colspan="2"></td><td></td></tr></table>				7.6 Loan Drawn Facilities	000's	Average Interest Rate	Latest Maturity Date	Secured/ Unsecured	Recourse Debtor Finance Facilities					HSBC	12,022	7.69%	rolling 6 months	Secured	Convertible Notes					Various ¹	345,815	8.50%	27-May-27	Secured	Revolver Finance Facilities					HSBC & NAB	28,000	7.82%	4-Jul-25	Secured	Finance Leases					NAB	48,827	4.66%	Feb-27	Secured	Tetra Pak	8,157	4.50%	Jan-27	Secured	Energy Ease	3,751	6.52%	Mar-27	Secured	Dankse Bank	330	4.18%	Feb-24	Secured	Bank of Queensland	112	4.09%	Oct-26	Secured	ChemClean	1,323	5.37%	Jul-25	Secured	Toyota	542	3.25%	Jun-25	Secured	Other	16	4.20%	Feb-24	Secured	448,894				
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¹ The carrying amount of the convertible notes recorded on 31 December 2022 statutory accounts in accordance with the accounting standards is \$272.9m. The above-mentioned loan facilities amount contains principal of \$292.0m and capitalised interest (Paid in Kind) of the convertible notes at 30 Jun 2023 of \$53.8m.																																																																																								
The Group's primary bank facilities are with HSBC Bank Australia Limited (HSBC) and National Australia Bank (NAB). They include an undrawn \$18m syndicated facility, equipment financing facilities (NAB) and debtor financing facilities (HSBC). The Group also has other bi-lateral equipment finance facilities from a number of financiers and other general transactional banking facilities.																																																																																								

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	5,855
8.2	Cash and cash equivalents at quarter end (item 4.6)	18,561
8.3	Unused finance facilities available at quarter end (item 7.5)	18,000
8.4	Total available funding (item 8.2 + item 8.3)	36,561
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1) <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	N/A
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2023

Authorised by: 
The Board of Directors